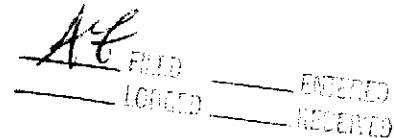


Judge Pechman



UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

UNITED STATES OF AMERICA,

Plaintiff,

v.

J & S DISTRIBUTION & TRADING, INC.,
(a corporation)

Defendant.

NO. CR02-268P

PLEA AGREEMENT

The United States of America, by and through John McKay, United States Attorney for the Western District of Washington, and Susan B. Dohrmann, Assistant United States Attorney for said District, and defendant, J & S DISTRIBUTION & TRADING, INC., by its attorney, William R. Michelman, enter the following Plea Agreement pursuant to Rule 11(c) of the Federal Rules of Criminal Procedure.

1. The Charge, Waiver of Indictment and Right to Jury Trial

The defendant, J & S DISTRIBUTION & TRADING, INC., by corporate resolution which is attached to this Plea Agreement and incorporated by reference as if fully set forth herein, having been advised of its right to have this matter presented to a federal grand jury and tried by a federal jury of its peers, agrees that it will waive those rights, and plead guilty to a single count felony Amended Information which charges it with a violation of Title 18, United States Code, Section 542, Entry of Goods by Means of False Statements, and further agrees that it will waive any and all defenses to the Amended Information.

5

1 Defendant acknowledges and understands that the elements of the offense charged
2 in the Information are:

3 On the dates charged in the Information, (1) defendant corporation did willfully
4 and knowingly enter and introduce, and attempt to enter and introduce, imported
5 merchandise; (2) into the commerce of the United States; (3) by means of false or
6 fraudulent documentation.

7 2. The Penalties

8 Defendant understands that the maximum penalty that the Court may impose upon
9 conviction for defendant J & S DISTRIBUTION & TRADING, INC., is
10 FIVE HUNDRED THOUSAND DOLLARS (\$500,000) or twice the gross pecuniary gain
11 derived from the offense, or twice the pecuniary loss suffered by another person because
12 of the offense, pursuant to Title 18, United States Code, Section 3571(c)(4), and (d).
13 Additionally, defendant understands that the Court must impose a penalty assessment of
14 ONE HUNDRED TWENTY-FIVE DOLLARS (\$125) for defendant J & S
15 DISTRIBUTION & TRADING, INC., pursuant to Title 18, United States Code,
16 Section 3013. Defendant acknowledges that no promises of any type have been made to
17 it in this matter except as hereinafter provided. Defendant further acknowledges that the
18 sentence in this matter is to be decided solely by the Court.

19 Defendant understands that the Sentencing Guidelines promulgated by the United
20 States Sentencing Commission are applicable to this case and that the Court may depart
21 from the Sentencing Guidelines under some circumstances.

22 3. Rights Waived by Pleading Guilty.

23 The defendant understands and acknowledges that, by pleading guilty, the
24 defendant knowingly and voluntarily waives the following rights:

- 25 a. The right to plead not guilty, and to persist in a plea of not guilty;
- 26 b. The right to be presumed innocent until guilt has been established at
27 trial, beyond a reasonable doubt;
- 28 c. The right to trial before a jury of the defendant's peers, and at that

1 trial, the right to the effective assistance of counsel;

2 d. The right to confront and cross-examine witnesses against the
3 defendant;

4 e. The right to compel or subpoena witnesses to appear on the
5 defendant's behalf;

6 f. The right to testify or to remain silent at trial at which such silence
7 could not be used against the defendant; and

8 g. The right to appeal a finding of guilty or any pretrial rulings.

9 4. Applicability of Sentencing Guidelines

10 The defendant understands and acknowledges the following:

11 a. That the United States Sentencing Guidelines, promulgated by the
12 United States Sentencing Commission, are applicable to this case;

13 b. That the Court will determine the defendant's applicable Sentencing
14 Guidelines range at the time of sentencing;

15 c. That the Court may impose any sentence authorized by law,
16 including a sentence that, under some circumstances, departs from any applicable
17 Sentencing Guidelines range up to the maximum term authorized by law;

18 d. That the Court is not bound by any recommendation regarding the
19 sentence to be imposed, or by any calculation or estimation of the Sentencing Guidelines
20 range offered by the parties, or by the United States Probation Department; and,

21 e. The defendant may not withdraw a guilty plea solely because of the
22 sentence imposed by the Court.

23 5. Ultimate Sentence

24 The defendant acknowledges that no one has promised or guaranteed what
25 sentence the Court will impose.
26
27
28

1 6. Statement of Facts

2 The parties agree on the following facts for purposes of calculating the base
3 offense level of the Sentencing Guidelines:

4 Defendant J & S DISTRIBUTION & TRADING, INC. admits the following facts
5 in support of its plea of guilty:

6 On September 11, 1997, defendant corporation, located at 3921 - 100th Street SW,
7 Tacoma, Washington, imported a shipment of canned Dongwon Bai-Top Shell Fish from
8 Korea, through a broker/agent, which entered at the Port of Los Angeles, California,
9 utilizing Customs Entry #UY9-0017351-8. The federal Food and Drug Administration
10 sampled the shipment and an analysis showed that the product was decomposed and
11 therefore adulterated as defined by Title 21, United States Code. The shipment was
12 refused entry by the FDA and exported back to Korea.

13 On September 30, 1998, defendant corporation entered and introduced, through a
14 broker/agent, a second shipment of Dongwon Bai-Top Shell Fish from Seoul, Korea, into
15 the commerce of the United States, specifically at Seattle, Washington. The Customs
16 Entry #178-6000649-7, Customs Form 3461, Bill of Lading #HJSCPUSA815550106,
17 Commercial Invoice #KKDI-98090, and Packing List #KKDI-98090, contained no
18 reference to Dongwon Bai-Top Shell Fish and further indicated that the shipment was
19 comprised of soybean milk and noodles, which was false or fraudulent. The approximate
20 estimated value of the shipment was \$5,800.

21 On October 8, 1998, an intensive examination was performed on this second
22 shipment which revealed an overage of 100 cans (2,400 cans) of concealed and
23 undeclared Bai-Top Shell Fish in excess of the manifested and invoiced cartons. Those
24 cartons were the same above-described shipment that had been refused entry in 1997 at
25 Long Beach, California, and exported back to Korea. A total of 3,332 cans of the
26 Dongwon Bai-Top Shell Fish were seized by the United States Customs Service: 2,400
27 cans were seized on October 8, 1998, and the remaining 932 were seized on October 19,
28 1998, pursuant to the execution of search warrants at the Boo-Han Market (572 cans), in

1 Tacoma, Washington, and the offices of J & S Distribution and Trading (360 cans) in
 2 Tacoma, Washington. Defendant agrees to forfeit all ^{3,332} ~~3,322~~ cans of the above-described
 3 shell fish.

4 7. Representations by the United States and Defendant

5 In exchange for this plea of guilty, the United States agrees that it will not initiate
 6 additional criminal charges in the Western District of Washington against individuals
 7 employed or associated with J & S DISTRIBUTION & TRADING, INC., based on the
 8 evidence known to the government at the time of this Agreement.

9 Defendant understands that this Plea Agreement applies to the United States
 10 Attorney's Office for the Western District of Washington, and does not bind other federal,
 11 state, or local prosecuting authorities. It is further understood that this Plea Agreement
 12 does not prohibit the United States, any agency thereof, or any third party from initiating
 13 or pursuing any civil or administrative proceedings directly or indirectly involving the
 14 defendant.

15 As a condition of this Plea Agreement, defendant agrees, at such reasonable time
 16 as determined by Government counsel, to make full disclosure to the United States
 17 Probation Office of its' financial affairs, including complete disclosure of any and all
 18 documents and other information relating to past and present income and current assets,
 19 for the purpose of determining the defendant's ability to pay a fine and assuring that an
 20 accurate statement of financial affairs is made to the Court.

21 8. Corporate Fine

22 Pursuant to USSG Section 2T3.1 and USSG Chapter 8, Sentencing of
 23 Organizations, the parties believe that the applicable Sentencing Guideline fine range is
 24 \$5,000 to \$10,000. Defendant understands and acknowledges that this is an estimate only
 25 and that, based on the Presentence Report, this applicable guideline fine range may
 26 change. Defendant further understands that this estimate is not binding on either the
 27 United States Probation Office or the Court.

1 9. Acceptance of Responsibility

2 If the defendant has accepted responsibility for the offense and if the defendant
3 accepts this plea agreement and enters a plea of guilty no later than close of business,
4 August 22, 2002, the United States will recommend an appropriate downward adjustment
5 pursuant to USSG Section 3E1.1(a) or Section 3E1.1(b).

6 10. Good Behavior

7 The defendant agrees to obey all local, state, and Federal laws between the time of
8 pleading and sentencing, and to serve any sentence imposed by the Court.

9 11. Voluntariness of Plea

10 The defendant acknowledges that it has entered this plea agreement freely and
11 voluntarily, and that no threats or promises, other than the promises contained in this plea
12 agreement, were made to induce the defendant to enter a plea of guilty.

13 12. Breach and Waiver

14 The defendant understands and agrees that if it breaches the plea agreement, the
15 defendant may be prosecuted and sentenced for all of the offenses the defendant may
16 have committed. The defendant agrees that if it breaches this plea agreement, the United
17 States Attorney reserves the right to take whatever steps are necessary to nullify the plea
18 agreement, including the filing of a motion to withdraw from the plea agreement and/or to
19 set aside the conviction and sentence. The defendant also agrees that if it is in breach of
20 this plea agreement, the defendant is deemed to have waived objection to the
21 reinstatement of any charges which may have previously been dismissed or which may
22 have not been previously prosecuted. The defendant further agrees that if it is in breach
23 of this agreement, the defendant is deemed to have also waived objection to the filing of
24 any additional charges against it.

13. Completeness of Agreement

The Government and the defendant acknowledge that these terms constitute the entire plea agreement between the parties.

DATED this 20th day of August, 2002.


J & S DISTRIBUTION & TRADING, INC. v.p.

Defendant

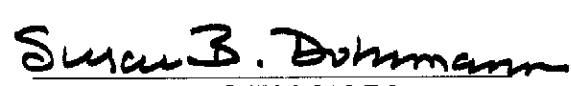
By: SEUNG HAN

Corporation Vice President and Secretary



WILLIAM R. MICHELMAN

Attorney for Defendant Corporation



SUSAN B. DOHRMANN

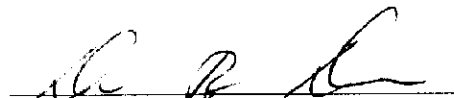
Assistant United States Attorney


CORPORATE RESOLUTION

RESOLVED that Seung H. Han, Vice President, is hereby authorized, directed and empowered for and on behalf of J & S Distribution & Trading, Inc., and in its name, to enter a plea of guilty to a charge of "Entry of Goods by Means of False Statement" in violation of Title 18, United States Code, Section 542, filed by Amended Information in United States District Court Western District of Washington, Seattle Division, under Case Number 02-268P. FURTHER, it is resolved that Seung H. Han, Vice President, is also authorized to act for and on behalf of the Company as follows:

- To have the allegations against the Company presented to a federal grand jury;
- To waive the right of the Company to be tried by a jury of its peers in regard to this matter;
- To waive any and all defenses that the Company may or might have to the Amended Information; and
- To do all other things that are reasonable and necessary to complete the foregoing acts and deeds.

Seung H. Han, Vice President, is authorized to act upon this resolution until written notice of its revocation is delivered to said vice president.

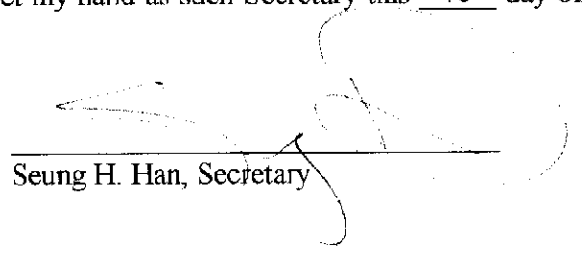

Boo H. Han, President


Seung H. Han, Secretary

I, Seung H. Han, Secretary of J & S Distribution & Trading, Inc., a Washington corporation, do hereby certify that the resolution appearing above is a full, true and correct copy of a resolution of the Board of Directors of said corporation duly and regularly passed and adopted at a meeting of the Board of Directors of said corporation which was duly and regularly called and held in all respects as required by law and by the by-laws of said corporation on the 16 day of August, 2002, and that the signatures appearing on the above-mentioned copy of said resolutions are the genuine signatures of the persons mentioned in said resolution and authorized to act on behalf of said corporation as set forth in said resolution.

I further certify that said resolution has not been amended or revoked and is still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand as such Secretary this 16 day of August, 2002.


Seung H. Han, Secretary